

## **Washington State Tax Structure Study**

### **Committee Meeting Minutes**

**July 12, 2002**

Committee members present:      John Beck  
   Neil Bruce  
   Jack Cairnes  
   Bill Gates, Sr.  
   Jim McIntire  
   Debbe Sanders  
   Hugh Spitzer  
   Gary Strannigan

Absent:                                Lisa Brown  
   Dick Conway  
   Lily Kahng

#### Welcome

Bill Gates welcomed the Committee members.

The minutes of the June 14, 2002, Committee meeting were approved as submitted.

#### Advisory Group

Advisory Group members were given the opportunity to give their input to the Committee. They were asked to speak briefly in response to the following questions:

- What is the key issue from the research findings you think the Committee should address?
- What is your favorite replacement alternative and why? Least favorite?
- What is your favorite incremental alternative and why? Least favorite?
- What else would you suggest that isn't on the list?

The following Advisory Group members spoke to the Committee:

Carolyn Logue, National Federation of Independent Business  
Jan Gee, Washington Retail Association  
Ron Newbry, Washington Economic Development Association  
Michelle Hagen, Washington Association of County  
Mike Martin, City of Kent  
Gene Lux, Senior Citizen's Lobby  
Pat Higgins, Institute for Washington's Future  
Terri Kimball, South King County Council of Human Services  
Carlos Marentes, Committee for General Amnesty and Social Justice  
Judy Hedden, League of Women Voters of Washington  
Mary Clogston, National Organization for Women

Eric Montague, Washington Policy  
Ross Hunter, Washington State PTA  
Steve Miller, League of Education Voters Foundation  
Dan Silver, Independent Consultant  
Yoram Bauman, Northwest Environment Watch  
Maria Cain, Asia Pacific Environmental Exchange  
Paul Benz, Lutheran Public Policy Office  
Meta Heller, Common Ground, USA

### Findings and Problems

There was some discussion of the Committee findings and problems that the Committee would address in its final report.

Hugh suggested that in the section on adequacy the Committee recognize the importance of school funding and the size and costs of schools as an element of the state budget.

Gary Strannigan asked staff to do a measure of regressivity for our state using state, local and federal taxes and then compare how our state fares in that calculation with other states.

Jim McIntire stated it might be useful for the Committee to think in terms of highlighting what the Committee sees as problems with perceptions around taxes, where there is a difference between a generally perceived viewpoint and the data that has been collected. Highlighting the problems would enable the Committee to determine where more education, more focus and more discussion are necessary in order to clarify and understand their recommendations.

The Committee agreed that each member would review a list of problems and rank the problems according to importance. Committee members could add to the list or note if they think that any of the items listed are not actually problems. The Committee asked DOR to email a list of problems from the research findings along with a tool to rank the importance of each problem. Committee members will respond and DOR will compile the responses and prepare a summary for the August meeting.

### Alternatives

The Committee discussed various approaches to developing alternatives. They decided to meet in August and look at the tax replacement and tax adjustment alternatives in more depth. They also discussed forming a subcommittee to package the alternatives. Bill Gates, John Beck, Gary Strannigan, Jim McIntire, Hugh Spitzer, Debbe Sanders, and Neil Bruce said that they would be willing to serve on a subcommittee to package the alternatives over the next few months.

### Report Outline

Bill Gates presented a draft of the final report outline. He encouraged Committee members to give their input on the outline to help determine what the actual report contents will be.

### Next Meeting

The next Committee meeting will be held on Friday, August 9, 2002, from 10:30 a.m. to 2:30 p.m. at the SeaTac DoubleTree Hotel.